

from domestic and international markets, to establish financial joint ventures and wholly owned subsidiaries subject to certain financial limits.

(c) and (d) The selection and appointment of full-time Directors and Part-time Government Directors would continue to be done as per existing practice. However, the selection of non-official part-time Directors in these Navaratna companies would be done by a Search Committee already set up by the Government to facilitate the induction of professional non-official part-time Directors of impeccable stature and background.

(e) and (f) There is no proposal at present to take them out of the purview of Government vigilance, audit and other investigating agencies.

Industrial Policy for North-Eastern Region

*151. SHRI BAJU BAN RIYAN :

DR. ARUN KUMAR SARMA :

Will the Minister of INDUSTRY be pleased to state :

- (a) whether there is any proposal under consideration of the Government to formulate a separate Industrial Policy for the North-Eastern Region;
- (b) if so, the details thereof alongwith salient features of the Policy?
- (c) the time by which the final decision is likely to be taken in this regard;
- (d) the benefit expected from this new policy; and
- (e) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (e) Yes, Sir. A proposal to formulate a separate industrial Policy for North-Eastern Region is under consideration of the Government. The final decision in this regard is expected to be taken shortly. The Policy package will accelerate industrial development in the North-Eastern Region.

Export of Gold Jewellery

*152. Dr. M. JAGANNATH :

SHRI T. GOPAL KRISHNA :

Will the Minister of COMMERCE be pleased to state :

- (a) whether under Import Policy Scheme, 1996-97, gold is given on loan to exporters by MMTC for converting it into ornaments;
- (b) if so, the details thereof and total quantity of gold so given during 1997 till July for such conversion;
- (c) whether gold jewellery exported to Dubai was fake and returned back after over a year;

- (d) if so, the details thereof; and
- (e) the action taken against the guilty firm/officials ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH) : (a) and (b) Yes, Sir. Under the Exim Policy, 1992-97, MMTC as one of the nominated agencies was issuing gold on loan basis to the exporters in EPZs/EOUs and in DTA for manufacture and export of gold jewellery against specified bank guarantees and continued to do so during 1996-97. Total gold supplied by MMTC to the exporters on loan for manufacture and export of gold jewellery in 1997 till 15.7.1997 is 5091 kgs.

(c) to (e) Five Export parcels involving two parties were recalled in Feb, 1996 to India from Dubai for verification. These parcels were opened in the presence of officials from Directorate of Revenue Intelligence (DRI) and the Central Intelligence unit of customs and discrepancies were found in these parcels. Investigations have been started by the Customs Department and the DRI against these parties.

Bank Scams

*153. SHRI RAMESHWAR PATIDAR :

SHRI AJMEERA CHANDULAL :

Will the Minister of FINANCE be pleased to state :

- (a) the number of scams which have taken place in the Public Sector Banks during the last three years and the details thereof;
- (b) the *modus-operandi* adopted in each case;
- (c) the number and details of bank officers involved in these scams;
- (d) the action taken in the regard by the Government;
- (e) the present status of enquiry in respect of each scam; and
- (f) the steps taken by the Government to provide a fool-proof banking system to the public ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) :

(a) to (f) The information relating to number of frauds detected in public sector banks, amount involved and action taken against delinquent employees for their involvement in frauds during the years 1994, 1995 and 1996 is given below :-

	1994	1995	1996
1	2	3	4
Number of frauds	2266	1890	1954
Amount of involved (Rs. in lakhs)	20007.88	11551.12	31937.63
	+Uganda Shilling 9844000		
Action Taken against officers			
(a) No. of employees convicted	50	33	46

1	2	3	4
(b) No. of employees awarded major/minor penalty	1248	1160	1207
(c) No. of employees dismissed/discharged removed	360	301	331

Withdrawal from deposit accounts through forged instruments fraudulent encashment of negotiable instruments by opening accounts in fictitious names, misappropriation through manipulation books of accounts, frauds in clearing transactions, misuse/overstepping of lending/discretionary power and frauds in foreign exchange by providing fake import bills etc. are some of the methods used in perpetration of the frauds.

The Public Sector Banks at the instance of Government and RBI have taken several steps from time to time for prevention of frauds. These steps include issue of comprehensive guidelines by RBI for strengthening the control mechanism in banks, review of fraud cases on a continual basis by RBI, advising the banks of modus-operandi in ingenious cases alongwith required safeguards to prevent their recurrence, proper training of operational personnel and investigations and scrutiny into reported cases of major frauds as well as snap inspections covering systems and procedures and control arrangements in fraud prone areas by the RBI.

Fiscal Deficit

*154. SHRI ASHOK PRADHAN : Will the Minister of FINANCE be pleased to state :

- (a) the extent to which the fiscal deficit has been reduced in the country during the last three years, year-wise;
- (b) whether a source of International Monetary Fund has stated that India's fiscal deficit is likely to remain too large; and
- (c) if so, the reaction of the Government thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM):
 (a) The fiscal deficit of the Government of India which was 7.4% of GDP in 1993-94 was reduced to 6.1%, 5.5% and 5.0% of GDP in the years 1994-95, 1995-96 and 1996-97 (RE) respectively.

(b) IMF, after consultation with India in July, 1997 have noted that while India's overall economic performance had remained broadly favourable, the targeted reduction of fiscal deficit in 1997-98 might be difficult to achieve if the anticipated revenue receipt did not materialise.

(c) The fiscal deficit in 1997-98 (BE) is estimated at 4.5% of GDP. Government would endeavour to contain the fiscal deficit by increasing receipts and restricting expenditure.

Anti-Dumping Duty

*155. LT. GEN. PRAKASH MANI TRIPATHI :

SHRI R. SAMBASIVA RAO :

Will the Minister of COMMERCE be pleased to state :

(a) whether European Commission has imposed anti-dumping duty on import of cotton-type bed lines and unbleached cotton grey fabrics from India at the highest duty of 27.3% in comparison with the import duty from Pakistan at the rate of 8.2%;

(b) if so, the details thereof and its likely impact on export of the said Product;

(c) whether the matter has been taken up with European Commission; and

(d) if so, the result thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH) : (a) and (b) The European Commission (EC) has decided to impose provisional anti-dumping duties at rates ranging from 3.9% to 27.3% on the imports of cotton type bed linen originating in India and at the rates ranging from 6.5% to 8.2% on those from Pakistan. The provisional anti-dumping duties have come into effect from 13th June, 1997 for a period of six months. These measures have adverse impact on Indian exports, as the bed linen is an important constituent of our Textile exports to European Union market.

(c) and (d) The Government of India has taken this matter with the European Union through the Indian Embassy but no response has been received so far.

Dumping of Surplus Waste

*156. SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA : Will the Minister of COMMERCE be pleased to state :

(a) whether some foreign countries are indulging in dumping the toxic-waste, electronic graphite etc., in the country;

(b) if so, the details thereof, item-wise and country-wise; and

(c) the precautionary measures being taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH) : (a) to (c) The Designated Authority appointed under the Customs Tariff Act and the Rules made thereunder investigates into the allegations of dumping in accordance with the provisions of the Act. The recommendations of the Designated Authority are announced by way to Gazette Notifications and are appealable before the Customs, Excise, Gold (Control) Appellate Tribunal (CEGAT).

The Designated Authority has not received any complaint with regard to dumping of toxic waste and electronic graphite. The Designated Authority has, however, received a petition alleging dumping of graphite electrodes from USA, China PR